

zendesk

CX Trends 2024

Unlock the
power of
intelligent CX



More than two centuries ago, Benjamin Franklin observed that “when you are finished changing, you’re finished”. While Franklin could hardly have foreseen the modern world we live in today – shaped by the internet, the rise of artificial intelligence and the James Webb Space Telescope, to name just a few developments – his words still ring true.

We live in an era of ever-accelerating change, a time when agility of thought and action means the difference between success and failure. And in the world of customer experience, we’re undergoing the kind of rapid transformation that’s creating an entirely new landscape right before us: the age of intelligent CX.

Let’s be clear: while intelligent CX certainly includes AI, automation and data analytics, it’s important to think of those advances not as discrete, standalone elements but as parts of a greater whole. These tools must work together across a business’s experiences.

For many leaders, this rapid change can be unsettling. The temptation to sit back and wait to see how these technologies evolve and change the customer experience will be powerful, but it must be resisted. Those who hesitate will be left behind, and their competitors – and vitally, their customers – will reap the rewards.

But for leaders who stand ready to embrace these seismic shifts, the future is bright. Zendesk is here to help you understand and act on these developments so you can exceed customer expectations – and protect your bottom line – with agility and efficacy. In our sixth CX Trends report, Zendesk has identified the key trends driving the era of intelligent CX so your business can be at the forefront of change.

These ten distinct trends land in three areas: AI and intelligent experiences, data and trustworthy experiences, and next gen and immersive experiences. The roadmap we’re providing here will give you the tools to unlock the power of intelligent CX.

Methodology

How we conducted the research: data in this report comes from two sources, which include a global survey of 2,500 consumers across 20 countries and a second global survey of nearly 4,500 business respondents.

CX Trends 2024

AI and intelligent experiences

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Generative AI will hasten the delivery of a more humanised journey that feels personable and interactive

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Disconnect increases between CX leaders and agents on everything related to AI: strategy, tools and role impact

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Voice is carving out a more advanced role focused on handling complex and escalated issues



Click on the trend to jump ahead

AI and intelligent experiences

→ Trend 1

Generative AI will hasten the delivery of a more humanised journey that feels personable and interactive

→ Trend 2

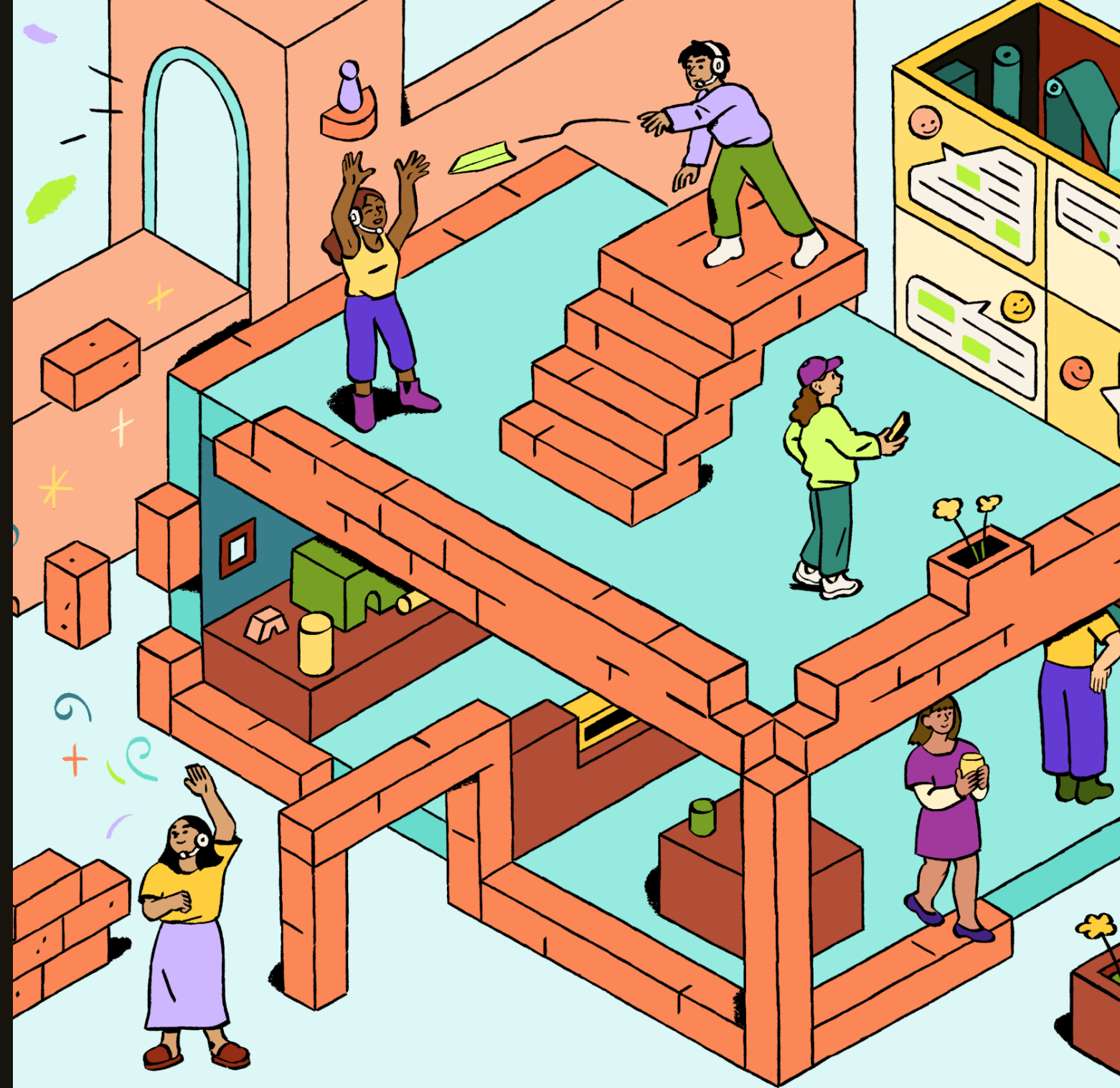
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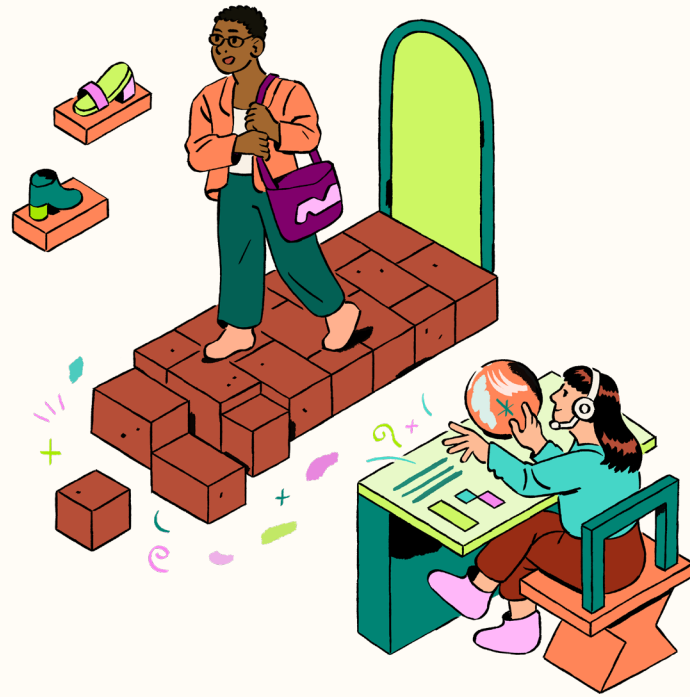
→ Trend 3

Disconnect increases between CX leaders and agents on everything related to AI: strategy, tools and role impact

→ Trend 4

AI transparency and decision-making are now the norm, not the exception





Trend

1

Generative AI will accelerate the delivery of a more humanised journey that feels personable and interactive

2023 was when generative AI captured the world's attention, and millions of people and businesses raced to explore the technology's potential. From software coding to audio transcriptions to improved chatbot performance, generative AI proved to be a startlingly powerful technology, albeit one that's still in its infancy. CX leaders understand that generative AI will become increasingly effective, and soon it will be so thoroughly integrated into the customer experience that support teams will work in ways that could only have been imagined a decade ago.

While generative AI harbours vast potential across industries and applications, in CX it will drive hyper-personalisation while also helping businesses offer more humanised and personable interactions. That's exactly what customers expect and welcome – they've made it increasingly clear that they want businesses to use the mountains of personal data they possess to offer warm, personalised experiences.

So, are CX leaders and their teams listening? As Zendesk discovered, the answer is a resounding yes. Some 70% of CX leaders say that generative AI has led their organisations to take a step back and re-evaluate their entire customer experience. Right now, those leaders and their teams are in exploration mode, conducting wide-ranging experiments in how generative AI might be used to provide more personalised and satisfying experiences for their customers.

70% of CX leaders plan to integrate generative AI into many of their touchpoints in the next two years

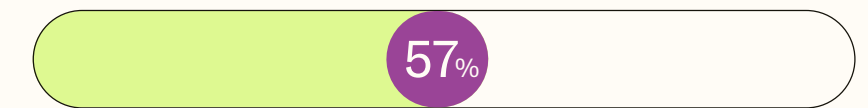
That said, with every new technology comes uncertainty and stress. Some 62% of CX leaders attest to their teams feeling pressure to use generative AI. But that stress is offset by the vast potential of the technology, specifically how it promises to enable companies to offer faster, conversational and more personable experiences to customers. And as we've seen over the past

six years, customers are demanding those personalised experiences: they want the companies they patronise to truly understand them and offer interactions that feel honest, informed and friendly.

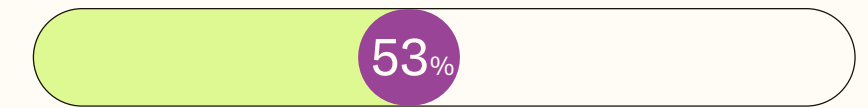
But can generative AI help businesses provide the kind of warm, human service that feels like interactions with local, family-owned businesses? More than two-thirds of CX organisations think that it will help their business provide that warmth and familiarity, even if they serve millions of customers.

One of the key ways generative AI will help companies get there is by improving the efficiency of agents. Some 70% of CX leaders believe generative AI is making every digital customer interaction more efficient, from search functions to voice assistants.

Aspects of customer-facing touchpoints that CX leaders anticipate will be heavily influenced by generative AI in the next two years:



Chat-based customer support



Email communications with customers



Search functionality



Voice-based interactions

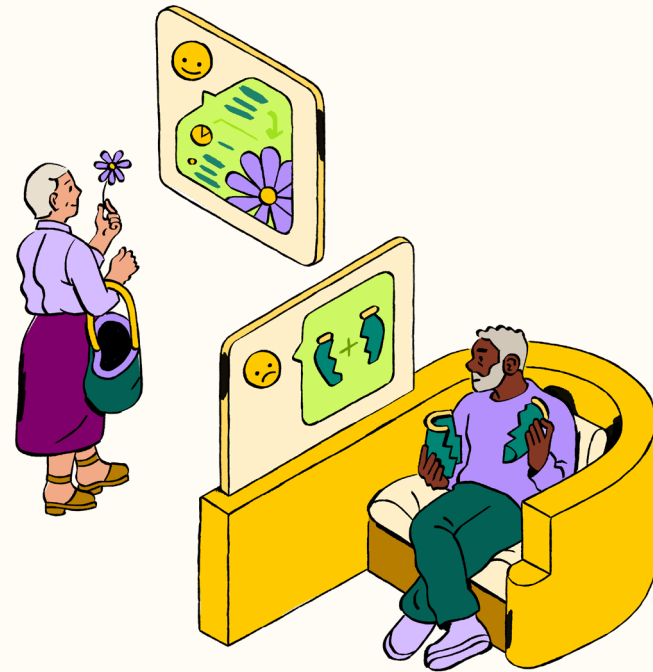
“I really believe that there’s a balance between empathy and efficiency where there can be an excellent result that meets the needs of the business but also meets the needs of the team that’s working on the front lines with the customers.”

Emily Sarver, Vice President of
Customer Experience
LOVEVERY.



That expectation of increased agent efficiency is mirrored by what consumers told Zendesk: 59% believe that generative AI will completely change the way they interact with companies in the next two years, and for those who’ve already experienced the technology first-hand, that number jumps to 75%.

What do these data points mean for businesses? It’s clear that they should continue their experiments with the technology, with an eye on implementing generative AI tools directly into their customer experiences and related agent tools. We found that 56% of CX leaders are already exploring new generative AI vendors for CX, a figure that’s sure to rise as the technology’s implications become inescapable.



Trend

2

Chatbots are rapidly transforming into digital agents that have the capacity to do more

Perhaps no tool represents the massive shift in how companies are delivering compelling customer experiences as well as the humble chatbot. Ever since the dawn of the chatbot, customers have harboured rather dim views of what they can offer. However, what was once seen as not ready for prime time has quietly been undergoing a supercharged transformation, with the most advanced models offering far more than a few self-service links and stilted, unnatural language.

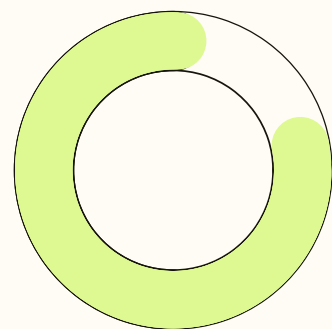
Now, these super chatbots have begun to feel increasingly like digital agents – able to convey brand traits in a personable way while resolving

a wider range of issues that would otherwise be fielded by a human being. They've become much more adept at analysing customer intent and sentiment and reacting accordingly, which is nothing short of revolutionary.

The ability of new chatbots to adopt a tone that falls in line with their company's brand is something CX leaders place great importance on; 72% believe that the bots they employ should be an extension of the brand's identity, reflecting its values and voice.

But the transformation of chatbots into digital agents goes far beyond simply doing a better job at sticking to a company's brand voice. Chatbots are doing a better job at surfacing information quickly, and they're also improving their ability to tailor responses to better fit where customers are in their journey. That means stronger relationships with customers, something 67% of CX leaders see happening.

And that's just what consumers want. While customers think that chatbots still have room for improvement, they're eager to see them evolve. Meanwhile, consumers see the current best-in-class chatbots as helpful companions, ones that present interesting products and actionable information.



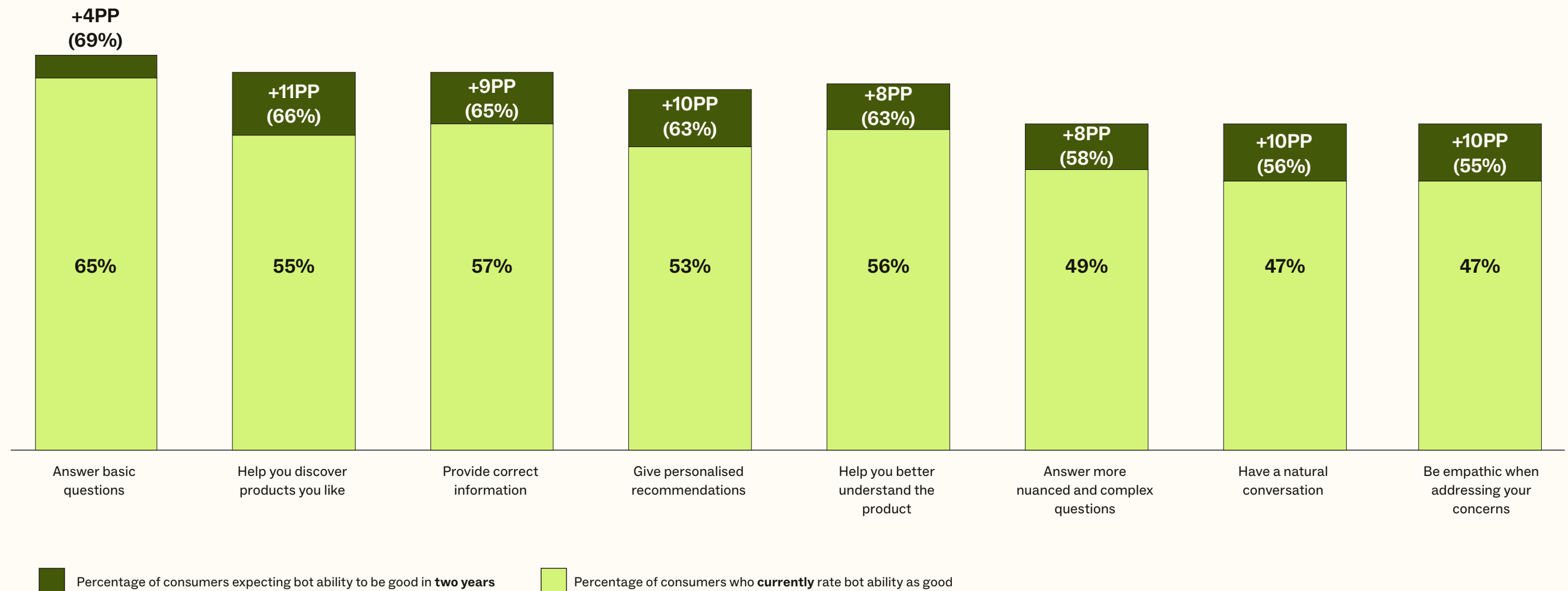
70%
of CX leaders believe that bots are becoming skilled architects of highly personalised customer journeys

Yet, there's a gap to be acknowledged here – many CX leaders know all too well that their current chatbots fall short of both their potential and customer expectations. Just 22% of leaders say their chatbots are akin to digital agents, but a significantly larger number – 58% – expect that to change in 2024.

So, how do those leaders plan to speed up that transformation? They told Zendesk that increased investments in AI (and other related technologies) will accelerate the process, and 64% plan to do so within the next year.

Current and expected rating of bot performance in typical CX interactions by consumers

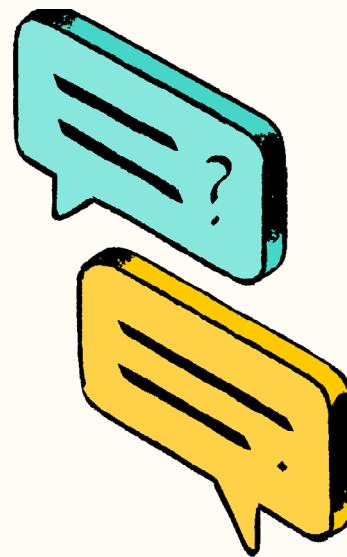
Within the next two years, consumers expect chatbot abilities to significantly improve. They anticipate that bots will offer personalised suggestions, handle complex queries with ease and get better at having more human-like conversations.



“In the past, I was always quite nervous of bots because we want to deliver a personal service, but what I’ve seen in the past six months is that we can use AI to enhance the delivery of personal service.”

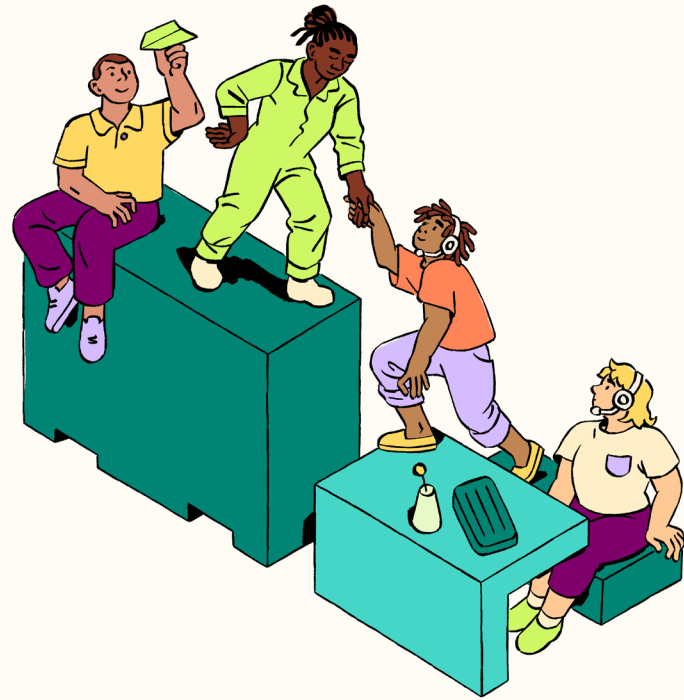
Ian Hunt, Director of Operations and Customer Services

LIBERTY.



The trend is clear: businesses that want to remain competitive must put resources into chatbot enhancement, and the success of those efforts will hinge on how much thought goes into the process. In the end, chatbots must seamlessly fuse brand identity whilst being able to analyse customer intent and sentiment.

As the era of intelligent CX matures, these supercharged chatbots will play a central role in elevating customer experience.



Trend

3

Disconnect increases between CX leaders and agents on everything related to AI – strategy, tools and role impact

Anytime a new technology emerges, disruption – and the intense emotions and effects that it spawns – follows. While CX leaders have largely embraced the emergence of AI and expect it to change the rules of the game, they also think that customer-facing agents have the means to use this new technology successfully.

The problem is that many agents aren't so sure. They're both wary and deflated about the new tools, fearing what AI will mean for their job security. Yet they also think that AI tools just aren't ready yet, and the training needed to use those tools is lacking.

That hasn't stopped CX leaders from forging ahead, however. 65% see AI not as a passing fad but as a strategic necessity and reality, one that has effectively made previous CX operations obsolete and dated. Those same leaders think the AI tools they've implemented – and the training that has accompanied those rollouts – have been more than enough to transform operations and seize the initiative in the era of intelligent CX.

But here's where Zendesk sees a serious disconnect. Only a quarter of agents surveyed think the AI tools they have actually help them provide a better service. And while CX leaders

“Be clear with how you are using AI. Use AI as a tool to help make your team’s role easier and more efficient, not as a looming threat to their employment. Help them to understand exactly where in their workflow it is helping, and ask them to contribute ideas to where it can relieve their pain points. What we as leaders may think is useful may be inconsequential to those on the ground.”

Naomi Rankin, Global Customer Care Manager

LUSH



strongly believe that AI will fundamentally change how agents work – shifting their focus to more specialised issues and on building and nurturing human relationships with customers – a third of agents think that’s premature.

So what are the roots of this disconnect in expectations? It’s becoming clear that the problem has many causes, including inadequate training, tools that aren’t yet effective, unclear guidelines, and expectations in leadership that perhaps aren’t in line with where the technology and agents are at the moment.

Only 34% of agents say they understand their department’s AI strategy

What’s troubling about this disconnect between CX leaders and their teams is the potential for AI tools to be implemented haphazardly, which raises the spectre of these efforts actually undermining and degrading the customer experience.

Drilling down into the data reveals that the widely differing views extend to training: while 72% of CX leaders say they've provided adequate training in generative AI tools, more than half of agents contend that they've received no training at all. And of the 45% who can attest to receiving training, only 21% are actually satisfied with it.

It's not all doom and gloom, however. Agents clearly want more AI training, and they're ready to embrace tools that will help them do a better job. While they may still harbour very real fears about job stability, it's telling that 75% of CX leaders see AI as a force for amplifying human intelligence, not replacing it.

Of those leaders, 71% believe that generative AI tools must be embedded directly into the tools agents already use, and 81% say that in the coming year their teams will have this functionality at their fingertips. That means rapid implementation, however, since only one-fifth of agents attest to having generative AI tools at their disposal.

These disparate responses serve as warning signs. As CX leaders and their teams grapple with the implications – and potential – of AI, they must first resolve gaps in perception and implementation. Failing to do so will squander the opportunities promised by generative AI.

Agent perspectives on what would help them do their job better

| | |
|---|-----|
| More training | 65% |
| Single view of a customer's interactions across all channels | 64% |
| Having access to data that allows me to personalise interactions | 62% |
| Switching to a tool that's easier to use | 56% |
| AI tools that would help me find information quicker | 52% |
| Having automated bots handle more basic requests | 44% |
| AI tools that help me communicate with customers more efficiently | 44% |



AI transparency and decisioning are now the rule, not the exception

With the rapid changes being brought on by AI, it's no surprise that companies and consumers have made transparency a key priority. Because the technology affects data collection and the customer experience as a whole, consumers now rank transparency as a factor in brand selection.

That focus has real-world implications for businesses as they ramp up their AI capabilities. Going forward, being transparent about the data that drives AI models and decisioning will be a defining element in building and maintaining trust with customers.

75% of organisations believe that a lack of transparency could lead to increased customer churn in the future

Considering that 48% of customers report increased difficulty in telling the difference between AI and humans, there's an urgent need for businesses to treat AI transparency as an essential element in communicating with consumers. Those who fail to heed this call will find themselves on the outside looking in, since consumers will decide who they can trust with their data and their money.

Trend

4

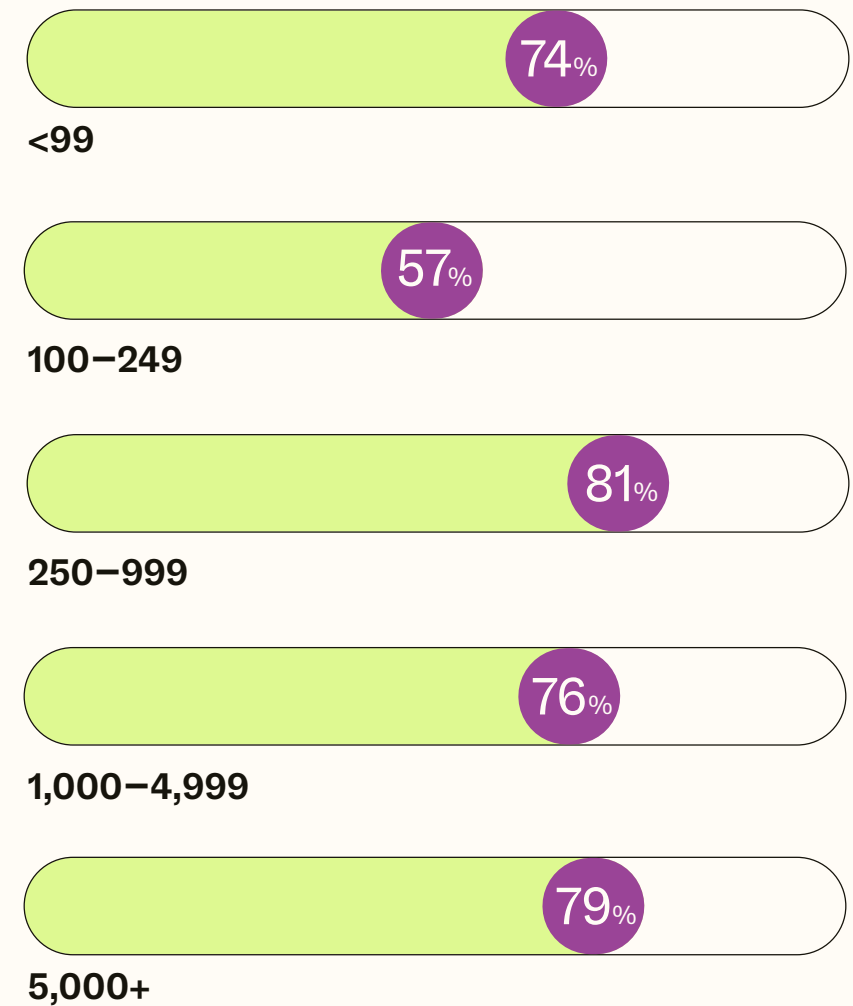
That need for trust through transparency becomes especially important when dealing with sensitive information that reveals a person's identity, their health history and their financial status. No customer wants to feel like AI is snooping on them or making their data available to bad actors. And as 58% of consumers told Zendesk, knowing how their data is collected, stored and used plays an outsized role in whether they'll purchase a product or service from a company.

In other words, transparency in AI is simply non-negotiable. Companies must be clear about the customer data they use, their commitment to preventing inherent biases and their approach to comparing AI performance versus controls. It's not that customers need highly complex details about AI models, but they do need a high-level understanding of what's being used and how. If your AI recommends something to a customer, that end user needs to know how that decision came to be.

Since AI is trained on large sets of data – information created by humans with all of their frailties and flaws – there's a very real danger of tools exhibiting bias or discrimination. There have already been widely publicised incidents of AI veering into racism and misogyny, and consumers have taken notice. As 63% of consumers told Zendesk, they're concerned about potential bias and discrimination in AI algorithms and decision-making. It behoves companies to be clear about what data is included and excluded in their AI models so customers feel safe.

22% of consumers say AI and bots do an excellent job of explaining why a suggestion was made

Breakdown of CX leaders by company size who see the need for AI transparency becoming paramount as customers and regulators demand insight into automated decision-making



Data and trustworthy experiences

→ Trend 5

Businesses are heavily focused on being able to instantly modify user experiences, putting increased pressure on leveraging data in real time

→ Trend 6

CX leaders are the new drivers of data privacy as AI and personalisation take on a greater role

→ Trend 7

Security is no longer an add-on but is seamlessly incorporated throughout the customer journey





Trend

5

Businesses are heavily focused on being able to instantly modify user experiences, putting increased pressure on leveraging data in real time

It's not breaking news that customers want immediate results – anyone who has worked in customer support knows all too well that consumers have fuses that get shorter by the year. And with the advent of AI, customers keep expecting more: lightning-fast responses coupled with tailored information that give a sense of being known and seen.

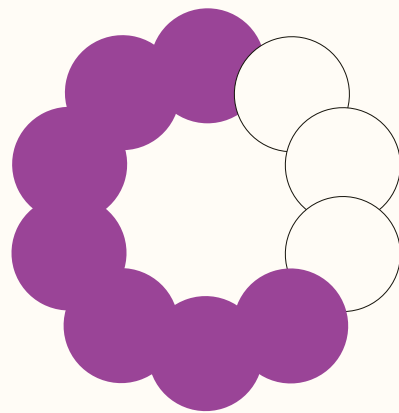
An even more challenging expectation has arisen – that companies anticipate and ameliorate problems before customers experience

them. However, the expectations of speed, foresight and hyper-personalised delivery of relevant information are closely linked to the demand for high-quality experiences. In other words, it's not enough to be fast.

62% of CX leaders feel they are behind in providing the more instant experiences consumers expect

Here's what CX leaders told Zendesk: while they feel like they're behind in providing more instant experiences, they have plans to close that gap by leveraging AI tools. And customers are increasingly in sync with what those CX leaders plan to do: 51% say they prefer interacting with bots over humans when they want immediate service.

That preference means companies must focus on boosting their bot capabilities via AI, specifically using its power to capture and analyse sentiment and intent. Doing so will help businesses predict customer needs and resolve issues quickly and efficiently (including knowing when a bot needs to hand over an interaction to a human agent).



70%
of organisations are actively investing in technologies and tools that automatically capture and analyse intent signals

Planned change in investment in tools that allow for predictive instant experience in the next year:

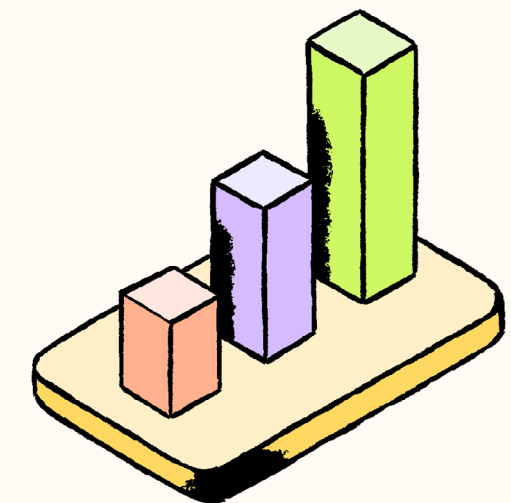
| | Somewhat increase | Greatly increase |
|--------------------------------|-------------------|------------------|
| Total | 38% | 28% |
| Company size | | |
| <99 | 28% | 15% |
| 100–249 | 41% | 21% |
| 250–999 | 40% | 30% |
| 1,000–4,999 | 40% | 33% |
| 5,000+ | 36% | 34% |
| Region | | |
| North America | 36% | 28% |
| Europe, Middle East and Africa | 40% | 27% |
| Latin America | 43% | 32% |
| Asia Pacific | 38% | 28% |

However, while being able to track and act on customer intent plays an important role in helping deliver predictive and immediate experiences, it's a steep hill to climb. Most businesses recognise the value in it, but actually implementing scalable, automated intent tracking systems has proven to be quite difficult.

The gap between knowing what's necessary and actually doing it is stark. Just 30% of CX leaders indicate that they automate identification of customer intent through AI or machine learning. While they also state that they recognise the need to improve in this area to enable real-time decision-making and more instant experiences, it's clear that much work needs to be done.

But the writing is on the wall: the shift towards predictive, instant experiences – powered by AI – is reshaping the customer experience in profound ways. Whether it's enhanced personalisation, proactive service, increased efficiency or a greater focus on robust data management practices, the entire fabric of the customer experience is undergoing sweeping changes.

Fortunately, CX leaders see that change coming and welcome it. They see clear benefits in delivering more instant personalised experiences: better customer service and experiences, enhanced customer loyalty and satisfaction, and an improved bottom line stemming from highly individualised and relevant recommendations. The question remains, however: will CX leaders have the vision and commitment to take full advantage of these tantalising opportunities?





Trend

6

CX leaders are the new drivers of data privacy as AI and personalisation take on a greater role

For years, customers have been urging companies to mine the mountains of data they have to provide more personalised experiences, as long as those businesses are transparent about how they use that information and put robust security measures in place. Yet, they also are concerned about how that data gets used and protected from an increasingly tech-savvy criminal underworld. That's a delicate line to walk, and CX leaders understand their responsibility here.

As 77% of CX leaders told Zendesk, they are aware that the responsibility for safeguarding customer data has landed on their plate. (Interestingly, of

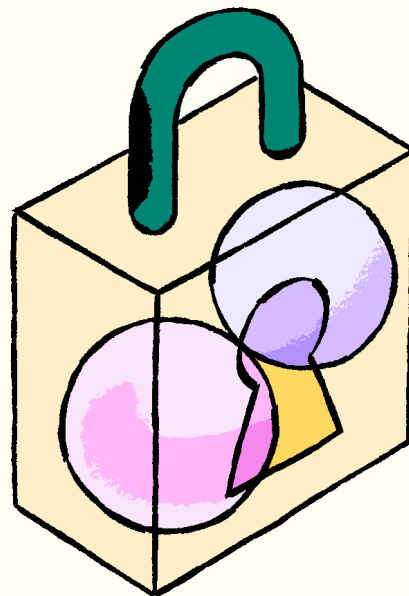
those leaders, the ones who see positive ROI on CX tech are even more likely to embrace this.) And those CX leaders have taken the lead in their organisations, exhibiting a clear understanding that with AI driving personalisation, the importance of securing data privacy for customers is paramount.

83% of CX leaders say data protection and cybersecurity are top priorities in their customer service strategies

“Having at least one person on the team whose primary responsibility is data protection is the bare minimum in 2024. CX leaders must critically think about their entry and exit points, and actively workshop scenarios in which a bad actor may attempt to compromise your systems. What is your level of exposure? What will you do if there is a data breach? Have you backed up your data lately? These questions need to be asked now, before there is an active threat.”

Brandon Tidd, Lead Zendesk Architect

727SOLUTIONS

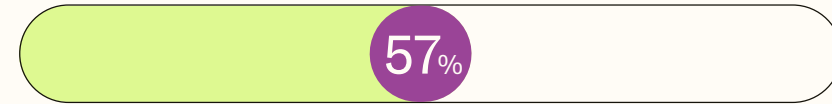


As a result, CX leaders are working more closely with their IT counterparts to ensure a holistic approach to data security, and they're taking steps to gain expertise in both data management and regulatory requirements to make sound decisions for their companies and customers. However, while leaders have begun to educate themselves, 61% report experiencing trouble keeping up, a nod to the complexity and fluidity of regulation and the technical challenges inherent to data management.

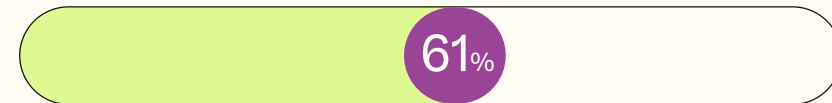
Thankfully, they're not alone in this challenge. In fact, 75% of CX leaders tell Zendesk that external partners and vendors play a crucial role in helping them gain knowledge and implement solutions. Despite eagerly partnering with vendors, CX leaders still face the tough challenge of selecting tools that both safeguard customer data and enable personalised experiences (including, of course, AI features). They know that it's not good enough to simply have AI tools for personalisation; those solutions must keep customer data secure.

Percentage of CX leaders who believe they are responsible for making sure customer data is safe

Company size



<99



100-249



250-999

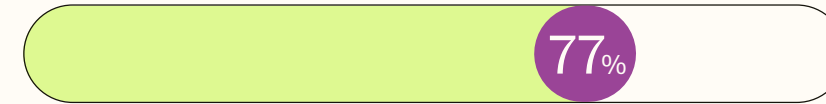


1,000-4,999



5,000+

Region



Global



North America



Europe, Middle East and Africa



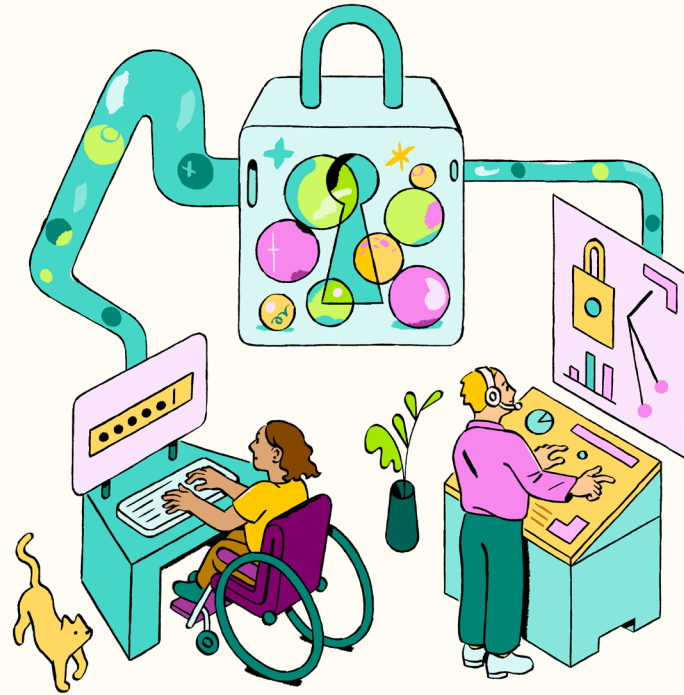
Latin America



Asia Pacific

That said, just 28% of CX leaders report that their teams have advanced knowledge about data privacy best practice. Those gaps in expertise could pose serious problems for CX organisations who are implementing AI tools – it's one thing for a team leader to have a clear understanding of data privacy best practice, but ultimately it's the customer-facing agents who must fiercely protect consumer data.

75% of CX leaders are actively collaborating with external partners or vendors to evolve customer data privacy in their CX operations



Trend

7

Security is no longer an add-on but is seamlessly incorporated throughout the customer journey

Every year, consumers lose billions of pounds due to fraud. Whether it's breached accounts, stolen identities or scams, most consumers have been victimised at least once in their life. It's an unfortunate and frustrating reality – likely to become even worse with deep fakes – and as a result, consumers have rightly become suspicious of the businesses that are charged with protecting their data.

While fraud will always be an issue, companies now understand that security measures can't be an ad hoc afterthought. All it takes is one breach of security, and your company's reputation – and

client base – will take a serious hit. However, by integrating stronger security measures into the customer experience, businesses are beginning to tighten their defences without compromising the fluidity customers demand.

74% of CX leaders say they have detailed strategic plans to counteract digital deception and fraud in their CX operations

Those efforts have yet to resonate with consumers, though. While 83% of CX leaders think their customers trust their data security efforts, six in ten consumers believe companies are falling short. That gap in trust is problematic on its own, but as 73% of CX leaders note, criminals keep getting better at what they do, making it harder to safeguard customer data.

These challenges give CX leaders little choice but to revamp and strengthen their CX security strategies, with the understanding that those efforts must be seamlessly integrated into the customer journey without compromising the effortless experiences consumers take for granted. While that's certainly a vexing challenge, it's one that must be solved given that 70% of consumers won't purchase a product or service from a company they view as having lacklustre security measures.

Thankfully, CX leaders have options for seamlessly integrating security measures into customer experiences, most of which aren't new, including multifactor authentication, encryption of service interactions and being transparent with customers about security and data privacy practices. (In the

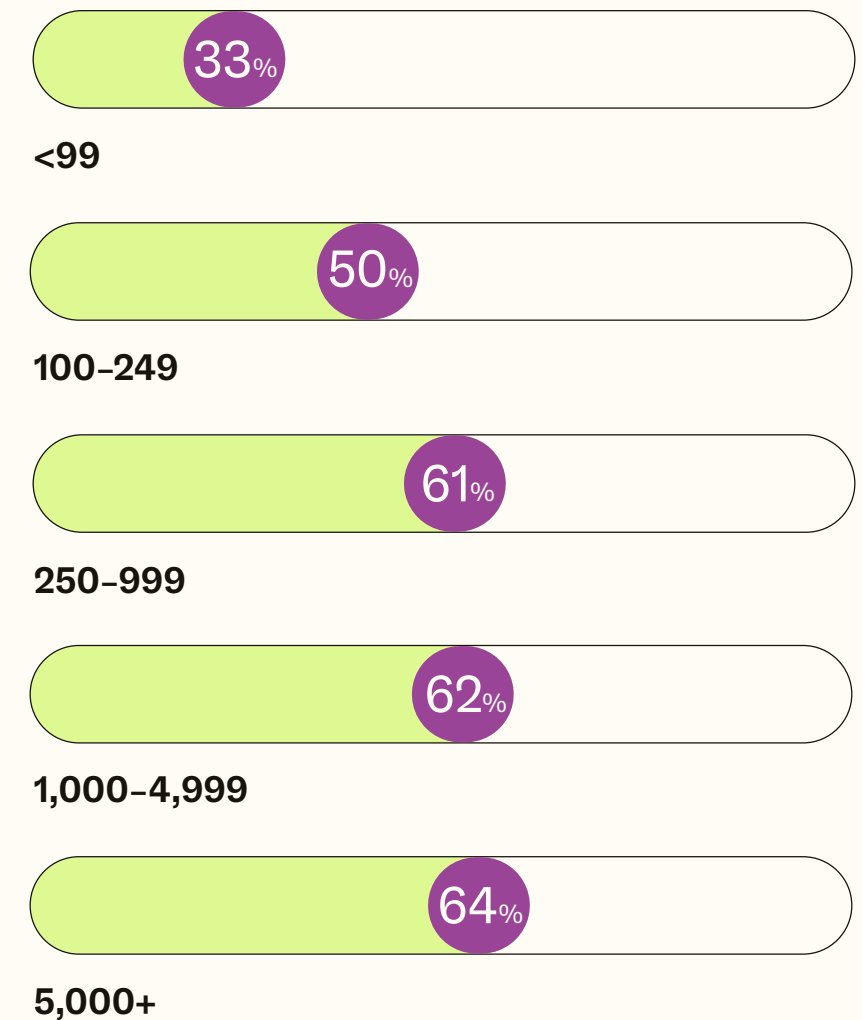
near future, biometric verification will likely be in use for highly regulated and high-risk categories.) And now companies can leverage AI for proactive fraud detection, as well.

78% of CX leaders agree that ignoring encryption in customer service exchanges leaves customer data vulnerable

But let's focus on transparency for a moment. It's a key element in building trust with customers, and as 80% of CX leaders state, "if our customers don't understand how we use their data, they may feel violated and opt for brands they deem more transparent".

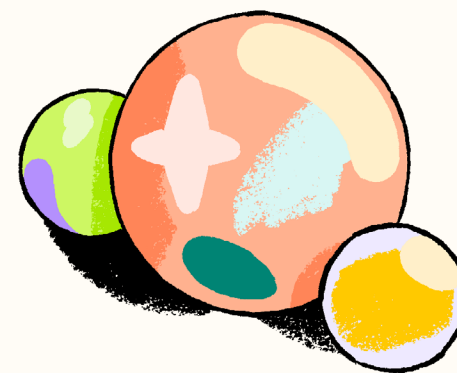
The first step to achieving that much-needed transparency is to be clear with customers about how you handle and protect their data.

56% of CX leaders admit their organisation experienced a data breach or a cyberattack targeting customer data in the past year. Here's how that figure breaks down by company size.



“Adopt a policy of transparency regarding how personal information is to be used in relationships to conduct business as well as how it is protected from those who would use it differently. Be able to verify a customer identity without having to follow verbal verification procedures.”

Steve Lacoss, Supervisor of Production



Beyond that, your company must make it easy for customers to opt out of data collection – it can't simply be, "your data is ours; trust us". And because criminals continually find new ways to compromise networks – often by capitalising on human error – every business needs to implement the latest security measures.

Staying vigilant about security takes resources and commitment, and for some CX leaders, it might not be second nature quite yet. But failing to weave strong security measures throughout the customer experience is a recipe for disaster. Nevertheless, with some forethought and dedication, you can implement security measures in ways that enhance the quality of the experience and build trust.

Next gen and immersive experiences

➔ Trend 8

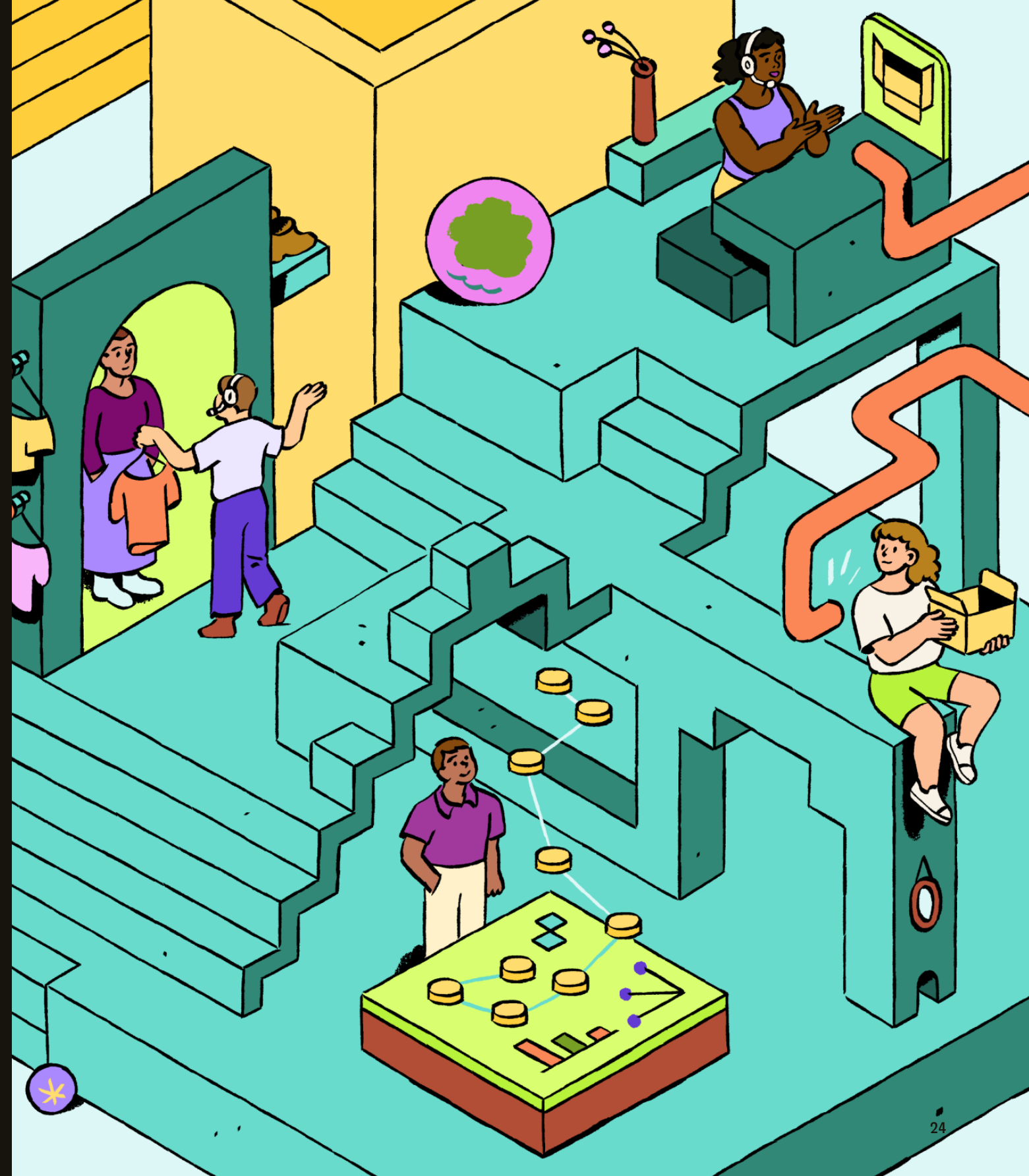
Live and immersive experiences are now heavily influencing the future of online shopping

➔ Trend 9

Voice is carving out a more advanced role focused on handling complex and escalated issues

➔ Trend 10

Predictive agent management tools are finally surpassing traditional methods





Live and immersive experiences are now heavily influencing the future of online shopping

Trend

8

Years after the advent of e-commerce, customers take convenience as a given. Almost anything can be ordered online and delivered to your doorstep in a matter of days (if not minutes). But consumers aren't content with the status quo: they want more. They're asking for conversational commerce and the ability to buy products within chat interactions. In fact, they'll even watch live-streamed sessions to gain shopping advice.

Immediacy and engagement now rule, driven partly by the lockdowns of the pandemic and the rise of new technologies. It's not enough for transactions to be seamless – they must also be

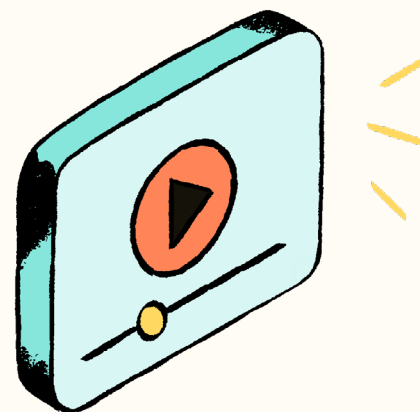
more engaging and feature real-time guidance and tailored information. When completing a purchase, customers need to feel that they really understand the product or service, which should also inspire the same level of confidence.

Now, 80% of consumers expect chat agents and support representatives to assist them with everything they need. The line between support and sales has begun to blur.

Conversational commerce, in which customers can make seamless purchases via chat or messaging, has quickly become the new standard

“Our revenue per user is higher when a customer is chatting with us versus browsing the site on their own. And our conversion rate in chat is nine times higher than the standard conversion rate for customers using the site.”

Michelle Swart, Zendesk Administrator
and Data Analyst
Spoonflower



in online shopping. In a single conversation – and make no mistake, the word *conversation* is key – a customer might open a chat session to get support for a previously purchased product, and through intelligently divined suggestions, that customer will be served relevant product options for additional purchases.

Consumers report they are only able to make purchases directly within chat-based conversations with agents 34% of the time

While companies see the potential here, they’re lagging behind in terms of implementation. Investments are being made, but as it stands, just 33% of businesses have implemented conversational commerce. However, 56% plan to explore conversational commerce and make it available to their customers in 2024.

While businesses make slow gains in offering conversational commerce, there’s another element

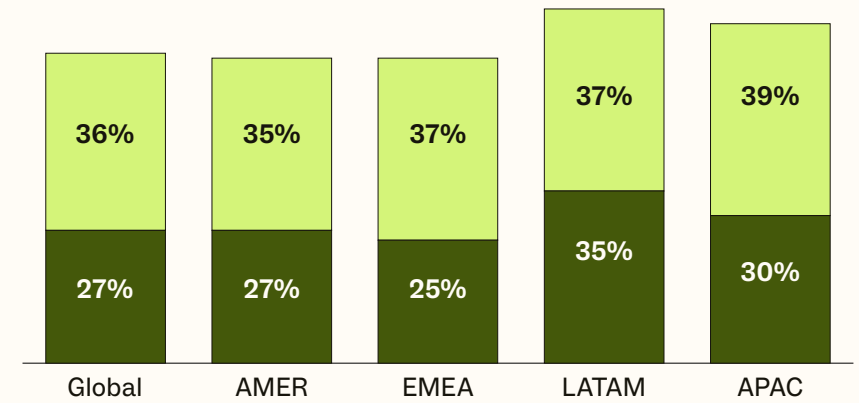
on the rise: live-stream shopping coupled with real-time purchasing guidance. This is particularly pronounced in Asia, but it's making inroads in other parts of the world. Its interactive and dynamic nature resonates with consumers, and with it comes a host of benefits: a more human touch, better product knowledge, immediate expert advice and an overall more compelling shopping experience.

To take advantage of this development, businesses need to strategise. While setting up live-streaming capabilities will require financial commitments, 74% of CX leaders see those expenditures as justified. To get there, 72% of leaders say they plan to partner with external vendors and partners.

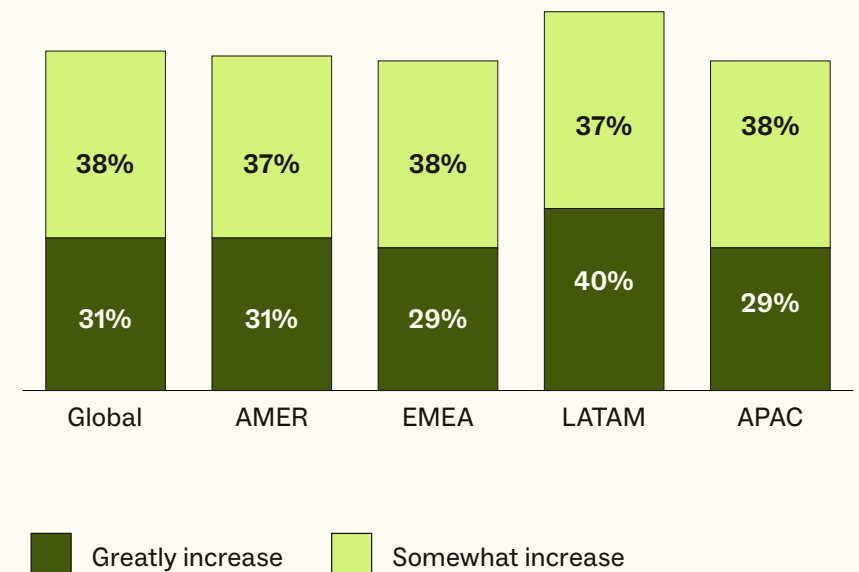
With the implementation of live-stream shopping experiences and conversational commerce comes the need for organisational changes. CX leaders told Zendesk that they expect a need to update or modify data privacy policies, as well as new training programmes for customer service teams. And, importantly, these CX leaders see AI playing a role in handling automated responses and personalisation.

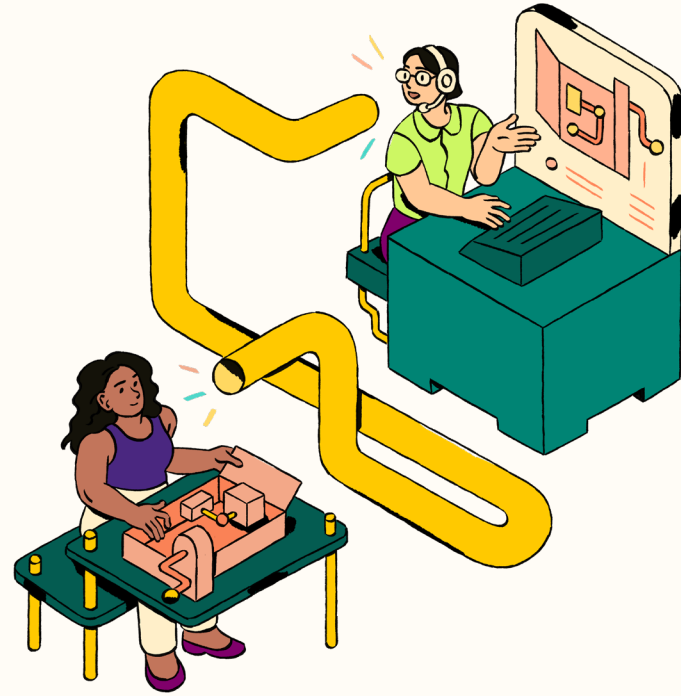
The evolution in online commerce will only accelerate, with conversational interactions and live-streaming events becoming the norm. And as two-thirds of CX leaders recognise, failing to embrace this change in the marketplace will mean losing valued customers to those who do.

Live-streaming shopping investment in the next year



Conversational commerce planned investment in the next year





Trend

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Voice is carving out a more advanced role focused on handling complex and escalated issues

For many years, customer support teams worked in what were deemed ‘call centres’, a nod to the primary way customers contacted companies for help with products or services. However, businesses have moved decisively toward a digital-first contact approach – chatbots, messaging and of course that old standby, email – with customers going along for the ride, albeit cautiously.

While most customers harbour no complaints about this shift, they still want the option to talk to a real human being. So despite digital-first becoming the new standard in customer service, customers expect voice to remain a viable channel, one that serves as a source of nuanced and tailored support.

71% of organisations use digital channels primarily for first contact and voice for resolving complex customer issues or escalations

That said, customers expect more when they do reach out via phone. If they’re going to the trouble of navigating a phone tree and waiting on hold, consumers expect their issue to be resolved without needing a second call. And considering that 60% of consumers report being frequently transferred to another agent or department on those calls,

it behoves companies to ensure that support representatives are armed with context about the customer's problem.

That presents a problem for companies, as CX leaders attempt to balance their digital-first strategies with consumers' demand for voice options. Some 41% of CX leaders say they plan to increase their budgets for phone support in 2024, which reflects the desire to meet customers where they are.

Yet, businesses must also ensure that their digital-first channels deliver exceptional service by leveraging advanced AI tools and personalisation techniques. If customers can find answers easily via digital channels – most notably self-service content – that in turn reduces the amount of phone traffic for common issues.



Preferred customer service channels for general issues vs. complex problems

| | General issues | Complex or nuanced problems |
|------------------------------------|----------------|-----------------------------|
| Phone call | 16% | 29% |
| Email | 16% | 13% |
| Self-service options | 15% | 5% |
| Live chat on the company's website | 12% | 10% |
| In-person | 6% | 13% |
| Social media platforms | 5% | 3% |

This visualisation omits channels with a percentage below 3% and instances of 'no preference'.

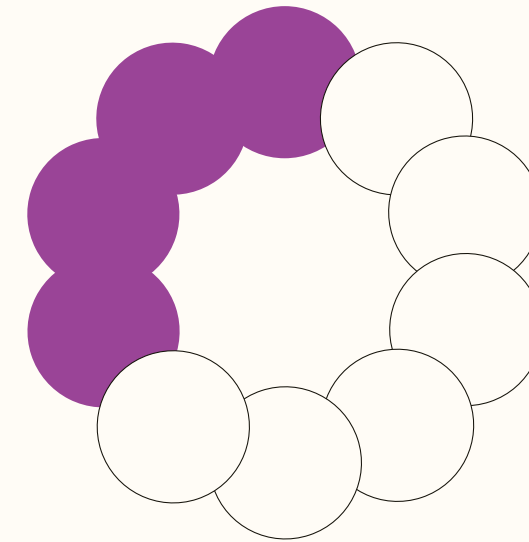
When companies create a seamless transition from digital to voice channels for handling complex issues, consumer confidence in the former rises. That in turn becomes a virtuous cycle in which customers feel increasingly satisfied with reaching out via digital channels, thus lessening demand for phone options.

For those CX leaders who see significant ROI on their CX tools, 54% are more likely to be actively exploring integration opportunities between voice and digital channels, suggesting that seamless omnichannel experiences will be created for customers to move from channel to channel easily, without having to repeat themselves.

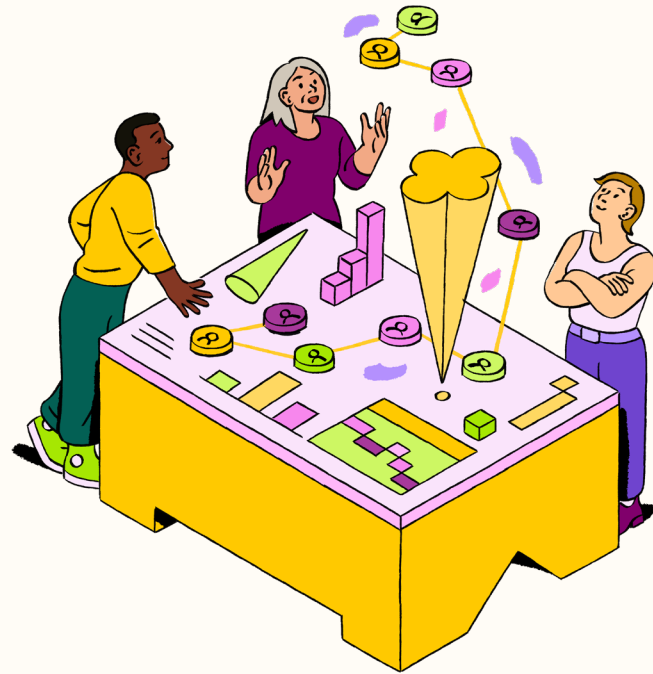
When customers do reach out over the phone, it will be crucial to have those calls answered by agents with more training, since they'll be expected to provide personalised and nuanced help for complex issues. Meanwhile, to ensure those agents aren't spending time on low-complexity issues, CX leaders will need to invest in technologies that make their digital channels more effective at solving a wide range of problems.

Here's where voice AI capabilities will play an important role. CX leaders who see high ROI on their support tools are 62% more likely to prioritise enhancing their voice channel by using speech analytics, natural language processing and voice AI.

While voice channels aren't going away anytime soon, they're rapidly evolving. CX leaders seeking an edge should adopt a dual approach: implementing advanced technologies to boost their digital channels whilst levelling up their agents' soft skills, which will pay off in higher customer satisfaction and loyalty.



42%
**of CX leaders see
generative AI influencing
voice-based interactions
in the next two years**



Predictive agent management tools are finally eclipsing traditional methods

CX leaders have long struggled with agent management. How many agents are needed now, and how many will the business require later in the year? When will demand spike, and should the company contract with a business process outsourcing (BPO) agency for flexibility? Poorly reasoned decisions about staff levels and training can wreak havoc on a support operation and have a knock-on effect on the bottom line.

However, leaders now have agent management tools at their disposal that can take a lot of the guesswork out of running a support operation. These tools can offer both operational and strategic foresight, helping managers make better staffing and training choices. But as 66% of CX leaders

state, the transition from an operational view to a more strategic approach is proving painful.

To ease this rocky transition, 79% of CX leaders plan to increase their budget for more strategic agent management tools. And of the 75% who already use more strategic tools, the positive ROI has been notable.

69% of CX leaders say that forecasting future staffing requirements accurately remains a significant challenge

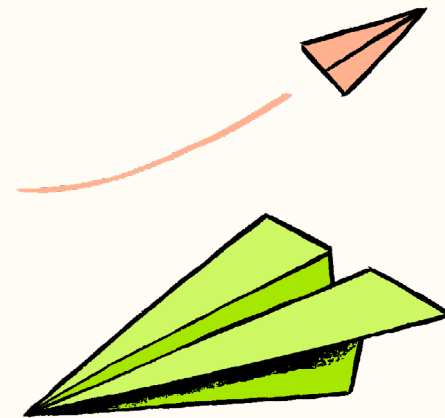
Trend

10

“Tymeshift has helped us become better staffed. Previously, we were guessing almost, based on some of the numbers that we had. But now we have specific numbers, and Tymeshift helped us figure out exactly the headcount that we need for each part of the seasons that we go through.”

Erik Jansen, Support Team Supervisor

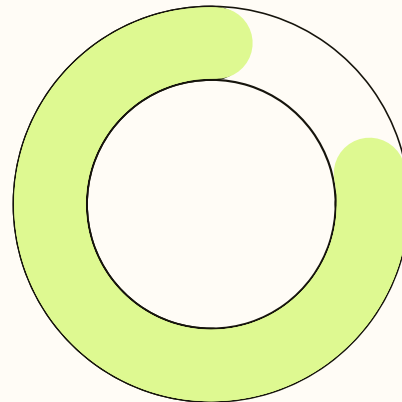
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This ROI comes in the form of more precise staffing forecasts, which leads to improved operational efficiency. There’s a direct correlation between those gains and better customer experiences (reduced waiting times and less organisational stress). These advanced agent management tools also provide key insights into skill development, which reveals clear training paths for improved agent performance. The value of those insights cannot be overstated – with customer expectations on the rise, companies must field a team of agents that are highly trained in both technical and soft skills.

Agent management tools also promise to boost a company’s ability to respond promptly to customer needs – not simply due to more accurate staffing, however. The targeted training paths it reveals will help agents understand how to resolve a customer’s issue more quickly and greatly decrease the chance that a customer will have to reach out again to get the problem fixed.

As CX leaders lean into advanced agent management tools such as Tymeshift, they'll be empowered to refine their strategies in ways that align perfectly with both business objectives and customer demands. As a result, CX leaders stand to upend a long-running narrative about support operations being cost centres, not profit centres. Agent performance tools will lead to better customer experiences, increased customer retention and, crucially, higher profitability.



79%
of organisations recognise the need for strategic agent management and are collaborating with external partners or vendors to facilitate this

Closing words

In this sixth CX Trends report, we delved into three distinct trend areas: AI and intelligent experiences, data and trustworthy experiences and, finally, next gen and immersive experiences. These 10 trends bring intelligent CX to life in new and vivid ways, marking the next step in the evolution of customer experiences.

CX leaders cannot ignore these developments – to do so is to cede ground to the competition, to watch trust and customer loyalty fade. The ramifications for profitability and company longevity cannot be overstated, and the businesses that come out on top will be the ones that recognised these shifts and planned accordingly.

Here at Zendesk, we're ready to guide you through these immense changes. Over the course of 2024 and beyond, we'll be providing additional insights and best practice so your company can excel in the era of intelligent CX.

Learn more about how Zendesk can help you unlock the future of intelligent CX with best practice guides, virtual and in-person events, industry and employee size specific findings and much more.

Check it all out at
cxtrends.zendesk.com/apac



zendesk

Advanced methodology

Data from CX Trends comes from two survey sources: one global survey (20 countries) of 2,818 consumers and another global survey (20 countries) of nearly 4,441 business respondents. The organisations surveyed ranged from small businesses to enterprise-level companies. Results from each survey were weighted to remove bias from the survey samples. Surveys were conducted in July and August 2023.

Business survey countries:

| | |
|------------------|-----------------------|
| Australia (4.9%) | Mexico (8.4%) |
| Brazil (8.1%) | Netherlands (2.9%) |
| Canada (6.1%) | Philippines (1.5%) |
| Denmark (2.1%) | Singapore (4.5%) |
| France (5.7%) | South Korea (5.4%) |
| Germany (5.1%) | Spain (5.9%) |
| India (5.2%) | Sweden (2.2%) |
| Italy (5.5%) | Thailand (1.7%) |
| Japan (5.0%) | United Kingdom (5.1%) |
| Malaysia (1.6%) | United States (13.2%) |

Business survey roles:

| |
|--------------------------|
| Agents (22.0%) |
| Business Leaders (78.0%) |

Consumer survey countries:

| | |
|------------------|-----------------------|
| Australia (6.1%) | Mexico (6.4%) |
| Brazil (6.0%) | Netherlands (3.1%) |
| Canada (6.0%) | Philippines (1.5%) |
| Denmark (3.0%) | Singapore (3.2%) |
| France (5.9%) | South Korea (6.4%) |
| Germany (6.2%) | Spain (6.4%) |
| India (6.5%) | Sweden (3.5%) |
| Italy (6.6%) | Thailand (1.1%) |
| Japan (6.3%) | United Kingdom (6.2%) |
| Malaysia (1.5%) | United States (8.1%) |

Consumer survey age groups:

| |
|---------------|
| 18–24 (19.9%) |
| 25–39 (27.4%) |
| 40–54 (27.0%) |
| 55+ (25.8%) |